

# TENNESSEE REGULATORY AUTHORITY

Ron Jones, Chairman  
Deborah Taylor Tate, Director  
Pat Miller, Director  
Sara Kyle, Director



460 James Robertson Parkway  
Nashville, Tennessee 37243-0505

October 26, 2005

Mr. Edward Phillips, Counsel  
Mr. Jack H. Derrick, Counsel  
Ms. Laura Sykora  
14111 Capital Boulevard  
Wake Forest, North Carolina 27587-5900

Mr. Daniel M. Waggoner, Counsel  
Davis Wright Tremaine LLP  
2600 Century Square  
1501 Fourth Avenue, Suite 2600  
Seattle, Washington 98101-1688

RE: Docket 05-00240: Application of Sprint Nextel Corporation for Approval of the Transfer of Control of United Telephone-Southeast, Inc.; Sprint Long Distance, Inc.; and Sprint Payphone Services, Inc. from Sprint Nextel Corporation to LTD Holdings Company

Dear Messrs. Phillips, Derrick, Sykora, and Waggoner:

In order to fully analyze the above-referenced petition, the Tennessee Regulatory Authority (TRA) requires additional information. Please provide the information requested below by November 4, 2005, and refer to this correspondence as Data Request No. 2 in the response.

1. In the Petition of Communications Workers of America, AFL-CIO (CWA) For Leave To Intervene in the above-referenced petition, CWA has concerns that the proposed capital structure of LTD Holding Company would impair the remaining landline or local telephone companies, resulting in a financially weaker company after the spin-off leaving United Telephone-Southeast, Inc. (UTSE) and LTD's other local telephone companies under severe financial pressure due to the heavy debt load and other cash commitments. Provide the proposed debt-to-equity ratio for the local landline or telephone companies after the spin-off or reorganization of LTD Holding Company and any projections of such ratio in the next five (5) years (if available).
2. What guarantee could you provide that UTSE and LTD's other local telephone companies will be able to make adequate capital investment in network infrastructure? Provide any study or other information relevant to this request.

If you have any questions, or need further assistance, please call Carlos Black at 615-741-2904, ext. 196 or e-mail him at [Carlos.Black@state.tn.us](mailto:Carlos.Black@state.tn.us). Please respond by sending the original and 13 copies to:

Ms. Sharla Dillon, Docket Room Manager  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37243-0505

Sincerely,

A handwritten signature in black ink that reads "Aster Adams" followed by a stylized monogram "WJB".

Aster Adams, Chief  
Competitive Markets & Policy Division

c: Mr. Ron Jones, Chairman  
Ms. Sharla Dillon, Docket Room Manager